BW TAG Meeting

July 18, 2000 1:30 - 4:30 PM 330 Golden Shore, Long Beach, CA 90802 First Floor Conference Room

Participants Included

Dave Pritzos (K Line America); Jay Winter (Steamship Association of Southern California); Tom Percival (Matson Navigation); Brian Dorsch (Chevron Shipping); John Berge (Pacific Merchant Shipping Association); Robin Lindsay (General Steamship Corp.); George Wright, Andrew Lorenzana (Princess Cruises); Gary Gregory, Mark Meier, Ron Litterell, Stephanie Frei & Maurya Falkner (CSLC); Stephen Rudd, Richard Parrott (BOE).

After introductions, Gary Gregory discussed the meeting objectives. The primary objective of the meeting, was to present and discuss the results of the first six months of the program and discuss potential alternatives to the current flat fee schedule.

Update on Ballast Water Management and Control Program

Summarize first ½ year: From January 1 through June 30, 2000, 3407 qualifying voyages have visited California ports. Over 80% of the voyages came into Southern California ports (Hueneme, LA-LB, and San Diego). Container vessels made up 49% of the vessel voyages. Bulk and tank vessels each made up 13% of the voyages, while general cargo, auto carriers and passenger vessels made up 9%, 8%, and 8% respectively. Compliance with the mandatory ballast water management reporting is approximately 81% statewide. Based on reports received, over 2 million metric tons of ballast water was discharged into California ports during the first six months of the program.

California State Lands Commission Marine Facility Division Inspectors have boarded and inspected ~27% of the vessels entering California ports. During the first 6 months of the program, inspectors noted over 200 violations. Over 80% were associated with administrative issues (no ballast water management plan on board, no IMO guidelines, etc.). CSLC plans on having a summary report available in the next few weeks. The report will be available on the CSLC web site.

Discuss "problems/issues"

- a) US crewed vessel denying CSLC Inspector access: US crewed vessels use night mates while in California ports. Over the past 6 months, a few vessels have denied access to CSLC Inspectors attempting to conduct mandated inspections of ballast water and associated paperwork.
- b) Delinquent BW Report Forms: During the second quarter of the year, CSLC sent out 10 enforcement letters to individual ship agents regarding delinquent ballast water reporting forms. Agents are identified in the law, along with the owner/operator, as having responsibility for providing CSLC with the required reporting forms.

The submittal of these forms is mandatory under the law and necessary for CSLC to provide the legislature with an accurate picture of ballast water management practices in California. In meetings with ship agents regarding these violations, CSLC is looking for better ways to inform agents of violations. CSLC has determined that monthly emails to ship agents is the most appropriate mode of communication. The Associations have agreed to provide, where necessary, the contact names and email addresses of ship agents operation in California. Beginning in August 2000, CSLC will provide the ship agents with a list of their vessels that have not filed the required ballast water reporting form. This notification will occur on or around the fifth of every month and include vessel information for the previous month's voyages.

- c) Incomplete/Unreadable BW Report Forms: CSLC receives a number of BW report forms that are unreadable (hand written, poor fax quality, etc.) or incomplete (no tank information, no BW management practices, etc.). CSLC is working with the ships, their agents and the maritime associations to improve the quality of the report forms.
- d) Intermediate stops issue: Under the California law, vessels destined for any California port from a port of place outside the EEZ, including intermediate stops at a port of place within the EEZ are considered qualifying voyages and must comply with all aspects of the law (Section 71200 (j)). Intermediate stops are stops made by a vessel at non-California West Coast ports prior to entering California waters, if the prior port of call of the vessel was outside the EEZ (i.e., Japan). For example, a vessel traveling from Japan to Seattle then on to California is considered a qualifying voyage, with the Seattle stop considered an intermediate stop.
- e) Vessels with unpumpable ballast water: Under the law, vessels arriving at California ports after operation outside the US EEZ are required to comply with all aspects of the law. The law applies to vessels with unpumpable ballast water, often referred to NOBOBs (no-ballast-on-board). It has come to the attention of CSLC staff that some vessel owner/operators are unclear about this requirement. In particular, Chevron Shipping has asked that CSLC staff communicate directly with Chevron vessels regarding this issue. Upon receipt of contact information for Chevron owned vessels, to be provided by Brian Dorsch, CSLC with contact these vessels individually to clarify the law.
- f) Size limits on vessels subject to the BW law: The law applies to all vessels, US and foreign, carrying ballast water and associated sediments into the waters of the state after operating outside the EEZ, with some exceptions. There is no exemption in the law regarding the size of the vessel.

Fund Status (information from State Board of Equalization)

From January 1 to June 30, 2000 – 2917 Qualifying Voyages have entered California ports.

2749 invoices have gone out as of June 30, 2000

Total Revenues received = \$1,192,225.00

Accounts Receivable = \$317,975 (701 invoices)

Although the recover of fees is improving, we are still short of the revenues needed to fund the California Ballast Water Control and Management Program.

Clean-Up Bill Status

The Governor signed AB2380, submitted by BOE and sponsored by Assemblyman Lempert. With its passage, BOE now has administrative authority to do their job.

Fee Alternatives

Jay Winter, Dave Percival, and John Berge presented to the TAG two Alternative Ballast Water Fee Proposals.

The first alternative proposes that vessels, in compliance with the law, that have committed funds for technology to address BW management and/or treatment, should be considered for a reduction in the fee amount of \$100. CSLC is interested in promoting incentives for the industry to pursue alternative treatment technology – though some at the table were not. The TAG agreed that if this alternative were to be implemented standards would also need to be developed.

The second alternative proposes that "the owner or operator of a vessel may prepay the estimated annual fees for a vessel annually subject to maximum aggregate fees per vessel of 15 voyages. A discount of 10% shall be provided for a prepayment." It was discovered that the language regarding the 15-voyage cap was included by mistake and was removed from the discussion at this time.

The discussion focused on the issues of prepayment and the 10% discount alternatives and resulted in several questions. Would it help the Exotic Species Control Fund to receive prepayment for liner vessels? Would prepayment reduce the costs incurred by BOE sufficiently to justify a 10% fee reduction? Is the Exotic Species Control Fund an interest-bearing fund? BOE is to look into the benefits of prepayment and report to the TAG at the October meeting.

Other Items

Grants – CSLC submitted a grant proposal to USFWS/Sea Grant to evaluate shipboard BW Treatment Technology. If funded, CSLC will work with Washington, USCG and the maritime industry to identify potential volunteer vessels. One such vessel would be used to evaluate the cost of retrofitting for on-board versus shore-based BW treatment. Additionally, monies from the grant would be used as "seed" money to assist the volunteer vessel in the installation of shipboard BW treatment equipment. Once the BW treatment equipment is

installed, the vessel would participate in a West Coast Pilot Project being developed in Washington, in conjunction with California, Oregon, British Columbia and the USCG. Washington submitted a grant proposal to USDA to retrofit up to five vessels with BW treatment equipment. The vessels, once retrofitted, would participate in the West Coast Pilot Project.

SWRCB – Concern was expressed by the BWTAG regarding the absence of the State Water Resources Control Board especially in light of the fact that they are responsible for reporting on and recommending alternative technologies for the treatment of ballast water. The Associations (PMSA & SASC) will contact the Water Board directly and request their attendance at the next BWTAG meeting.

Next Meeting

October 17, 2000, 1030 – ? California State Lands Commission 100 Howe Street, Suite 100, South Sacramento, CA 95825